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DEVELOPMENT OF THE IRON AND STEEL INDUSTRY IN SOVIET ZONE GERMANY

Compared with the vast iron-producing industry in the Ruhr, the iron and steel production in the area now known as Soviet Zone Germany has always been negligible. In 1936, only 1.2 million tons or 6.6 percent of the entire German raw steel production (18.14 million tons) were supplied by that area. In 1938, Germany consumed approximately 14.2 million tons of rolling mill products. Of these approximately 3.3 million tons were used by Central Germany /now Soviet Zone/, which produced only 1.3 million tons and drew on the Ruhr, Upper Silesia, and the present French and American Zones of Germany for the remaining 2 million tons of rolled steel.

Prior to 1945, the plants of the former Mitteldeutsche Stahlwerke A. G. (Central German Steel Works, Inc), a Flick concern, produced the bulk of the iron and steel output in Central Germany. This corporation controlled the following foundries, steel and rolling mills:

The Unterwellenborn branch of the Maximilianhuette Iron Works Corporation, consisting of blast furnaces and rolling mills; the Riesa Steel Plant, a Siemens-Martin steel and rolling mill; the Groeditz Steel and Rolling Mills near Riesa, with a steel casting foundry and foundries for casting gray iron, malleable iron, iron tubes, and rolled iron; the Doehlen Cast Steel Foundries in Freital and Pirna, Sachsen; the Hennigsdorf Steel and Rolling Mills, with steel casting foundries and steel and plate rolling mills; the Weber Steel and Plate Rolling Mills in Brandenburg/Havel, equipped with an iron foundry; the Kraft Blast Furnace Works in Kratzwiek, near Stettin, which produced raw castiron; and the ferroalloy plants in Spremberg, Lippendorf, and Eula. The Central German Steel Works, Inc also controlled the Thale Iron Foundries, which were amalgamated with the Bochum Iron and Foundry Works Corporation in 1940, and the Hoffmann and Motz Foundries in Eberswalde, a small plant which produced hot-rolled iron bars.

All these plants had been converted for the German defense industry and were completely intact at the end of the war. The Brandenburg, Hennigsdorf, Riesa, Groeditz, and Doehlen plants were dismantled by the Russians, and the steel and rolling mill equipment shipped to the Soviet Union. The Maximilianhuette Foundries in Unterwellenborn and the Thale Iron Foundries were confiscated by the occupation power and operated as Soviet Corporations (SAG). The remaining plants and installations were destroyed in 1945 by order of the USSR.

In 1945, East Germany produced only 611 tons of pig iron and was therefore almost completely dependent on West Germany for her supply of pig iron, and steel and rolling mill products. With the intensification of political tension between the Western Powers and the Soviet Union in 1947 and the resultant slump in steel shipments to East Germany, the Soviet occupation authorities were forced to rebuild the iron and steel industry in its zone. This project gained impetus from the final economic separation of the two parts of Germany, following the currency reform.

As early as October 1945, the Soviet occupation authorities ordered the German administration to reactivate the Thale and Unterwellenborn installations as quickly as possible. The Thale Foundries were the first to be returned to operation because the necessary raw materials for this purpose were and are available in East Germany. The blast furnaces of the Maxhuette in Unterwellenborn, near Saalfeld, however, had to be fired with coke from Westphalia which was obtained from the Ruhr, following negotiations between the Soviet and British occupation authorities. The first blast furnace of the Maxhuette was fired on 4 February 1946. In February 1947, reconstruction of the Groeditz Iron Works was ordered, and operation of the plant began 2 months later. Reconstruction of the Hennigsdorf and Riesa mills was ordered in October 1947, and by August of the same year the fourth Siemens-Martin furnace was placed in operation at the Hennigsdorf works. The Riesa Mill put its second Siemens-Martin furnace in operation in the fall of 1948.

The Burg Rolling Mills near Magdeburg, a former Hoesch concern, were reactivated the latter part of 1948, by order of the German Economic Commission (DWK). About a year later, the first hot-rolling mill for light plate was put in operation. A second hot-rolling mill and a cold-rolling mill are under construction. In February 1949, the USSR returned to East Germany five dismantled rolling mills, three of which went to Riesa, Hennigsdorf, and Groeditz. One light section steel and one heavy plate rolling mill were installed in the new Kirchmoeser Plant near Genthin, which began operating in November 1949. The Doehlen Cast Iron Foundries, with two Siemens-Martin furnaces, was also activated in 1949.

The Maximilianhuette, commonly known as "Max," is the only blast furnace installation in East Germany which has its own source of ore. It utilizes Thuringian chamosite and ore mined at Schmalkalden. Chamosite ore deposits of up to 44 percent iron content (after roasting) are found on the Schwarzburg Pass, between Blankenbrug and Schmiedefeld. Notwithstanding large production increases scheduled for the Maxhuette under the Two-Year Plan, these veins of ore will not be depleted for several decades to come. The foundries, which are located 40 kilometers from the mining installations, have a total of five blast furnaces (four in Unterwellenborn and one in Sulzbach-Rosenberg), with a combined monthly capacity of approximately 23,000 tons of pig iron. According to the Two-Year Plan, the Maxhuette is to reach an annual output of 300,000 tons of Thomas pig iron and 700,000 tons of foundry pig iron. The rolling mills have been extended and their capacity increased. The cogging mill is to produce a yearly total of 300,000 tons; two other rolling mills, 200,000 and 90,000 tons, respectively.

The Hennigsdorf Steel and Rolling Mills are equipped with four Siemens-Martin furnaces, each of which has a capacity of 80 tons and can produce 2,500 tons of raw steel per month. The total yearly output is therefore approximately 120,000 tons. The plant reportedly produces mainly steel rods and wire. It has a cogging mill with a yearly capacity of 200,000 tons, and also has two light section mills with a 120,000-tons yearly capacity each, and one wire mill with a 30,000-ton capacity.

The Riesa Steel and Rolling Mill has four Siemens-Martin furnaces of 100 tons capacity each, which are scheduled to achieve an output of 250,000 tons of raw steel per year. The plant is being equipped with a cogging mill with an annual capacity 240,000 tons which will be ready for operation the early

part of 1950. Furthermore, two light section mills with a combined capacity of 200,000 tons per year, and one bar-rolling mill, as well as a tube-rolling mill, the latter returned by the Soviet Union, are to be installed.

The Groeditz Iron and Rolling Mills, which began its operation with the production of steel castings, also created its own steel supply in 1949. In August of that year its first 18-ton Siemens-Martin furnace was fired. Three additional furnaces, with a capacity of 35 tons each, were installed subsequently.

To these plants must be added the new rolling mills at Burg and Kirchmoeser, and a number of nonferrous metal works, such as the Ilsenbrug Copper Works, the F. A. Lange Nonferrous Metal Works in Auerhammer, and the rolled sheet works in Olbernhau, Sachsen. These plants have been adapted to steel rolling requirements and are said to produce a yearly output of 21,000 tons of heavy, medium, and light sheet.

The alloys necessary for steel production are not obtainable in Soviet Zone Germany and must be imported, chiefly from the Soviet Union. However, they are processed in East German ferroalloy plants, such as the Lippendorf Electric Steel Plant. The refractory materials needed for the construction of metallurgical furnaces can be produced in a number of East German plants, one of which is the Wuenschendorf Dolomite Plant. The first magnesite plant was erected in Aken/Elbe in 1948/1949, with a monthly output of 2,500 tons, including approximately 1,000 tons of refractory materials. The firing of the Siemens-Martin furnaces presents no problem, inasmuch as black coal is not required, and brown coal can be utilized in the form of generator gas or coal dust.

Both the quality and the quantity of the scrap metal used as case-hardening material for Siemens-Martin furnaces was unsatisfactory in the beginning. A centrally controlled scrap metal administration had to be set up in May 1947 to obviate the bottlenecks.

All steel and rolling mills in East Germany are people-owned and combined in the VESTA Association of People-Owned Iron and Steel Enterprises, with headquarters in Leipzig. A number of small , related enterprises and two iron ore mines are also part of this association which comprises the following people-owned plants: Maxhuette, Unterwellenborn; Riesa Steel and Rolling Mills; Hennigsdorf Iron Works and Rolling Mills; Kirchmoeser Rolling Mills; Burg Rolling Mills; Lippendorf Electric Steel Works; Ilsenburg Copper and Plate Rolling Mills; Olbernhau Plate Rolling Mills; Auerhammer Semifinished Products; Oranienburg Spring Factory; Bad Salzungen Metal Ware Plant and Cold Rolling Mill; Brotterode Drawing Mill; Praema Precision Drawing and Machine Works, Lugau; Faradit Tube and Rolling Mills; Wuenschdorf Dolomite Plant; Am Buechenberg Iron Ore Mines, Elbingerode; and the Braunesumpf Iron Ore Mines, Huettenrode.

Iron research is conducted by the Freiberg Mining Academy and by the recently founded Experimental and Research Institute for Iron and Steel in Hennigsdorf. Technical schools have been set up in the large plants.

It is reported that the steel and rolling mills in Soviet Zone Germany have fulfilled their 1949 target 100.5 percent. Quotas for pig iron, graded steel, and rolling mill products were met 114, 108, and 103 percent, respectively. An extensive variety of rolling mill products can now be manufactured, including seamless tubes, electrically and torch welded tubes, wire, iron tires, and all grades of light, medium, and heavy plate.

The output of the newly created iron and steel industry is one of the most important elements of the Two-Year Plan. The 1950 target for pig iron is 360,000 tons, for raw steel 875,000 tons, and for rolled steel 695,000 tons. No doubt these figures will be exceeded because the Two-Year Plan did not take into consideration the two new plants at Burg and Kirchmoeser, the return of the five rolling mills by the Soviet Union, the installation of additional Siemens-Martin furnaces, and other expansion projects.

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